

Circum-Arctic Resource Appraisal: Estimates of Undiscovered Oil and Gas North of the Arctic Circle

The U.S. Geological Survey (USGS) has completed an assessment of undiscovered conventional oil and gas resources in all areas north of the Arctic Circle. Using a geology-based probabilistic methodology, the USGS estimated the occurrence of undiscovered oil and gas in 33 geologic provinces thought to be prospective for petroleum. The sum of the mean estimates for each province indicates that 90 billion barrels of oil, 1,669 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids may remain to be found in the Arctic, of which approximately 84 percent is expected to occur in offshore areas.



Overturned sedimentary rocks of the Lisburne Group under a midnight rainbow near Galbraith Lake, Alaska, summer 2001. USGS photo by David Houseknecht.

Introduction

In May 2008 a team of U.S. Geological Survey (USGS) scientists completed an appraisal of possible future additions to world oil and gas reserves from new field discoveries in the Arctic. This Circum-Arctic Resource Appraisal (CARA) evaluated the petroleum potential of all areas north of the Arctic Circle (66.56° north latitude); quantitative assessments were conducted in those geologic areas considered to have at least a 10-percent chance of one or more significant oil or gas accumulations. For the purposes of the study, a significant accumulation contains recoverable volumes of at least 50 million barrels of oil and/or oil-equivalent natural gas. The study included only those resources believed to be recoverable using existing technology, but with the important assumptions for offshore areas that the resources would be recoverable even in the presence of permanent sea ice and oceanic water depth. No economic considerations are included in these initial estimates; results are presented without reference to costs of exploration and devel-

opment, which will be important in many of the assessed areas. So-called nonconventional resources, such as coal bed methane, gas hydrate, oil shale, and tar sand, were explicitly excluded from the study. Full details of the CARA study will be published later.

A number of onshore areas in Canada, Russia, and Alaska already have been explored for petroleum, resulting in the discovery of more than 400 oil and gas fields north of the Arctic Circle. These fields account for approximately 240 billion barrels (BBOE) of oil and oil-equivalent natural gas, which is almost 10 percent of the world's known conventional petroleum resources (cumulative production and remaining proved reserves). Nevertheless, most of the Arctic, especially offshore, is essentially unexplored with respect to petroleum. The Arctic Circle encompasses about 6 percent of the Earth's surface, an area of more than 21 million km² (8.2 million mi²), of which almost 8 million km² (3.1 million mi²) is onshore and more than 7 million km² (2.7 million mi²) is on continental shelves under less than 500 m of water. The extensive Arctic continental shelves may constitute the

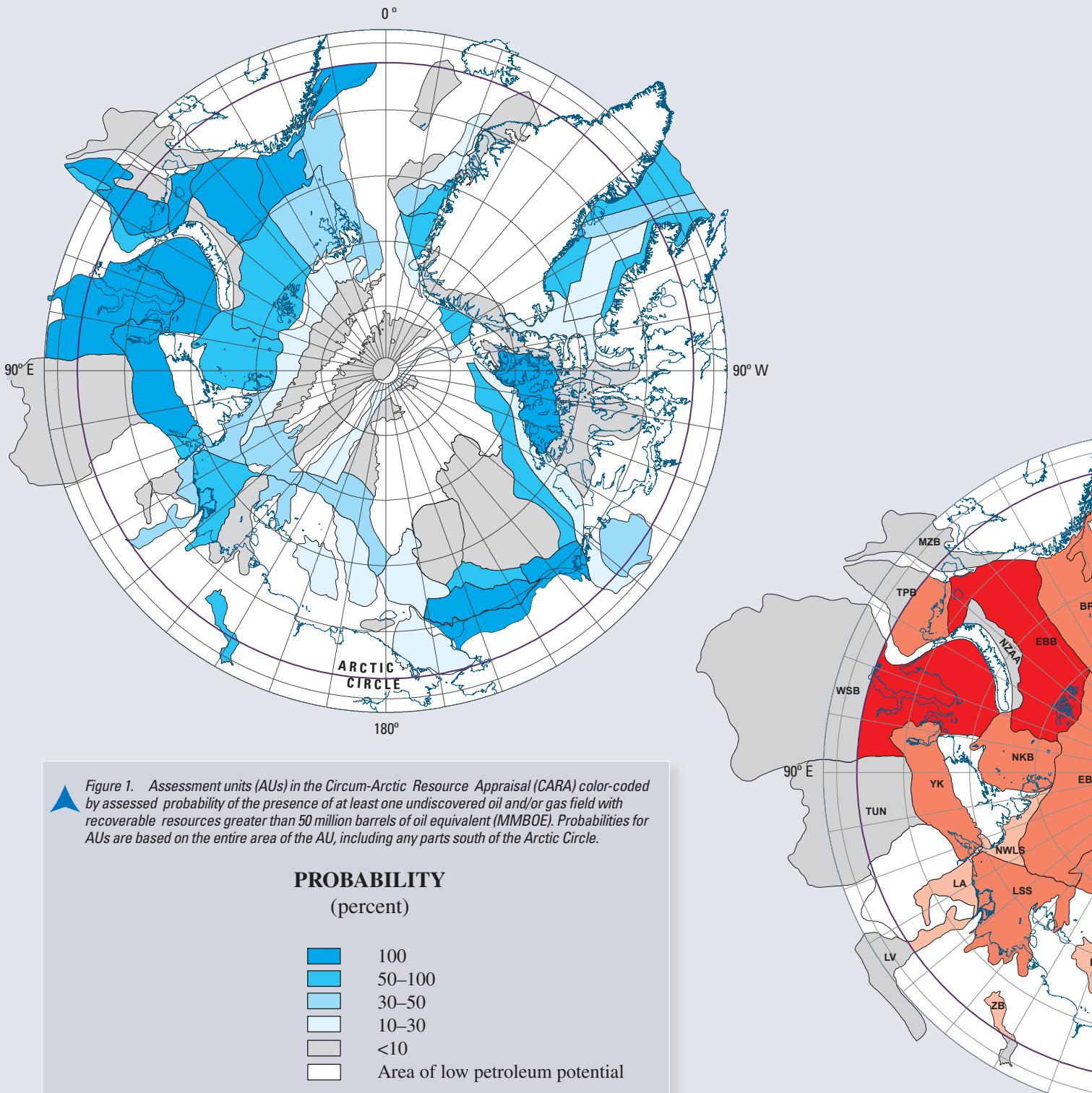
geographically largest unexplored prospective area for petroleum remaining on Earth.

Methodology

A newly compiled map of Arctic sedimentary basins (Arthur Grantz and others, unpublished work) was used to define geologic provinces, each containing more than 3 km of sedimentary strata. Assessment units (AUs)—mappable volumes of rock with common geologic traits—were identified within each province and quantitatively assessed for petroleum potential. Because of the sparse seismic and drilling data in much of the Arctic, the usual tools and techniques used in USGS resource assessments, such as discovery process modeling, prospect delineation, and deposit simulation, were not generally applicable. Therefore, the CARA relied on a probabilistic methodology of geological analysis and analog modeling. A world analog database (Charpentier and others, 2008) was developed using the AUs defined in the USGS World Petroleum Assessment 2000 (USGS World Assessment Team, 2000). **[Continued on back page]**

PETROLEUM POTENTIAL OF ASSESSMENT UNITS AND PROVINCES IN THE CIRCUM-ARCTIC

In the Circum-Arctic Resource Appraisal (CARA), 33 provinces were examined, of which 25 were judged to have a 10-percent or greater probability of at least one significant undiscovered petroleum accumulation in any constituent assessment unit (AU) and were therefore quantitatively assessed. Shown in these three maps are the relative probabilities for all assessment units assessed and the estimated relative potentials for undiscovered oil and gas in the assessed provinces.



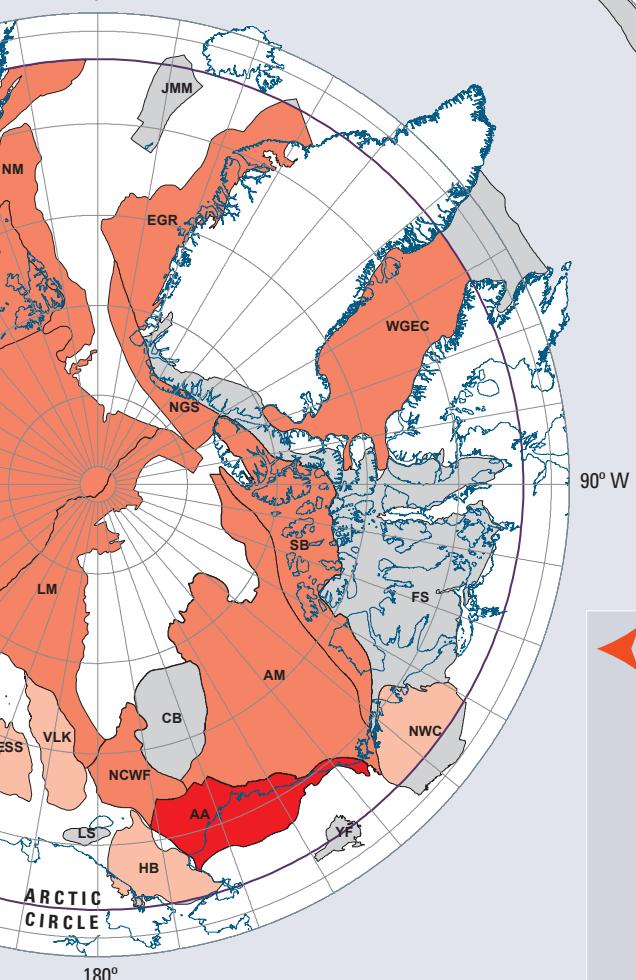


Figure 3. Provinces in the Circum-Arctic Resource Appraisal (CARA) color-coded for mean estimated undiscovered oil in oil fields. Only areas north of the Arctic Circle are included in the estimates. Province labels are the same as in table 1.

UNDISCOVERED OIL (billion barrels)

	>10
	1-10
	<1
	Area not quantitatively assessed
	Area of low petroleum potential

Figure 2. Provinces in the Circum-Arctic Resource Appraisal (CARA) color-coded for mean estimated undiscovered gas. Only areas north of the Arctic Circle are included in the estimates. Province labels are the same as in table 1.

UNDISCOVERED GAS (trillion cubic feet)

	>100
	6-100
	<6
	Area not quantitatively assessed
	Area of low petroleum potential

[Continued from front page]

The database includes areas that account for more than 95 percent of the world's known oil and gas resources outside the United States.

For each assessment unit, the CARA team assessed the probability (AU probability) that a significant oil or gas accumulation was present. This evaluation of AU probability was based on three geologic elements: (1) charge (including source rocks and thermal maturity), (2) rocks (including reservoirs, traps, and seals), and (3) timing (including the relative ages of migration and trap formation, as well as preservation). Each assessment unit was ranked according to its AU probability; those AUs judged to have less than a 10-percent probability of a significant accumulation were not quantitatively assessed.

In addition to the AU probability, the number of accumulations, the size-frequency distribution of accumulations, and the relative likelihood of oil versus gas were assessed for each AU and combined by means of a Monte Carlo simulation. The probabilistic results reflect the wide range of uncertainty inherent in frontier geological provinces such as those of the Arctic.

Results—Resource Summary

Within the area of the CARA, 25 provinces were quantitatively assessed; 8 provinces were judged to have less than a 10-percent probability of at least one significant accumulation in any AU and were, therefore, not assessed. Results of individual AU assess-

ments are not reported here, but the AUs are shown as mapped areas on figure 1, where they are color-coded for the probability of at least one undiscovered accumulation of minimum size. The provinces are listed in table 1, in ranked order of total mean estimated oil-equivalent volumes of undiscovered oil, gas, and natural gas liquids (NGL). The provinces are shown in figures 2 and 3, where they have been color-coded with respect to fully risked (including AU probabilities) potential for gas and oil, respectively.

More than 70 percent of the mean undiscovered oil resources is estimated to occur in five provinces: Arctic Alaska, Amerasia Basin, East Greenland Rift Basins, East Barents Basins, and West Greenland–East Canada. More than 70 percent of the undiscovered natural gas is estimated to occur in three provinces, the West Siberian Basin, the East Barents Basins, and Arctic Alaska. It is further estimated that approximately 84 percent of the undiscovered oil and gas occurs offshore. The total mean undiscovered conventional oil and gas resources of the Arctic are estimated to be approximately 90 billion barrels of oil, 1,669 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids.

References

Charpentier, R.R., Klett, T.R., and Attanasi, E.D., 2008, Database for assessment unit-scale analogs (exclusive of the United States): U.S. Geological Survey Open-File Report 2007-1404 [http://pubs.usgs.gov/of/2007/1404/].

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Table 1. Summary of Results of the Circum-Arctic Resource Appraisal

[MMBO, million barrels of oil; BCFG, billion cubic feet of natural gas; MMBNGL, million barrels of natural gas liquids; NQA, not quantitatively assessed. Results shown are fully risked mean estimates. For gas accumulations, all liquids are included as NGL (natural gas liquids). Provinces are listed in ranked order of total barrels of oil and oil-equivalent natural gas (BOE).]

Province Code	Province	Oil (MMBO)	Total Gas (BCFG)	NGL (MMBNGL)	BOE (MMBOE)
WSB	West Siberian Basin	3,659.88	651,498.56	20,328.69	132,571.66
AA	Arctic Alaska	29,960.94	221,397.60	5,904.97	72,765.52
EBB	East Barents Basin	7,406.49	317,557.97	1,422.28	61,755.10
EGR	East Greenland Rift Basins	8,902.13	86,180.06	8,121.57	31,387.04
YK	Yenisey-Khatanga Basin	5,583.74	99,964.26	2,675.15	24,919.61
AM	Amerasia Basin	9,723.58	56,891.21	541.69	19,747.14
WGEC	West Greenland-East Canada	7,274.40	51,818.16	1,152.59	17,063.35
LSS	Laptev Sea Shelf	3,115.57	32,562.84	867.16	9,409.87
NM	Norwegian Margin	1,437.29	32,281.01	504.73	7,322.19
BP	Barents Platform	2,055.51	26,218.67	278.71	6,704.00
EB	Eurasia Basin	1,342.15	19,475.43	520.26	5,108.31
NKB	North Kara Basins and Platforms	1,807.26	14,973.58	390.22	4,693.07
TPB	Timan-Pechora Basin	1,667.21	9,062.59	202.80	3,380.44
NGS	North Greenland Sheared Margin	1,349.80	10,207.24	273.09	3,324.09
LM	Lomonosov-Makarov	1,106.78	7,156.25	191.55	2,491.04
SB	Sverdrup Basin	851.11	8,596.36	191.20	2,475.04
LA	Lena-Anabar Basin	1,912.89	2,106.75	56.41	2,320.43
NCWF	North Chukchi-Wrangle Foreland Basin	85.99	6,065.76	106.57	1,203.52
VLK	Vilkitskii Basin	98.03	5,741.87	101.63	1,156.63
NWLS	Northwest Laptev Sea Shelf	172.24	4,488.12	119.63	1,039.90
LV	Lena-Vilyui Basin	376.86	1,335.20	35.66	635.06
ZB	Zyryanka Basin	47.82	1,505.99	40.14	338.95
ESS	East Siberian Sea Basin	19.73	618.83	10.91	133.78
HB	Hope Basin	2.47	648.17	11.37	121.87
NWC	Northwest Canada Interior Basins	23.34	305.34	15.24	89.47
MZB	Mezen' Basin	NQA	NQA	NQA	NQA
NZAA	Novaya Zemlya Basins and Admiralty Arch	NQA	NQA	NQA	NQA
TUN	Tunguska Basin	NQA	NQA	NQA	NQA
CB	Chuckhi Borderland	NQA	NQA	NQA	NQA
YF	Yukon Flats (part of Central Alaska Province)	NQA	NQA	NQA	NQA
LS	Long Strait	NQA	NQA	NQA	NQA
JMM	Jan Mayen Microcontinent	NQA	NQA	NQA	NQA
FS	Franklinian Shelf	NQA	NQA	NQA	NQA
Total		89,983.21	1,668,657.84	44,064.24	412,157.09